

INFORMATION LETTER

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NATIONAL CANNERS ASSOCIATION

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TO STUDY EFFECT ON FARM PRICES OF "AREA OF PRODUCTION" DEFINITION

Wage and Hour Administrator Instructs Regional Directors to Hold Field Conferences

Col. Philip B. Fleming, wage and hour law administrator, early this week announced that a reexamination of the "area of production" question is to be made, and ordered field investigations of complaints that the definition has resulted in reducing the income of farmers in or near the "area of production". Colonel Fleming also announced that a hearing will be held April 10 in Washington on petitions requesting a redefinition of the terms executive, administrative, professional, and outside salesman, as applied to the wholesale distributive trade.

Regional directors of the Wage and Hour Division, the administrator said, will hold conferences with interested groups to determine the extent of the alleged adverse effects of the present definition of "area of production" upon the farmer's selling price of certain agricultural commodities. This work of the regional directors is to be supplemented by investigations by the Division's staff in Washington.

It is understood that probably three conferences will be held on the West Coast, two in the South, of which one will be in Florida, and two in the Southwest. The conferences, for the most part, will be confined to major fresh fruit and vegetable products. Representatives of employers and employees will be invited to attend the conferences.

"In my opinion," Colonel Fleming said, "Congress intended to protect the farmer from any direct adverse effect on his market by the Fair Labor Standards Act. It imposed on the Administrator the duty to define 'area of production' in such terms as would provide that wages and hours required by the Act should not be paid for by a direct reduction in the farmer's selling price.

"Therefore, I am going to re-examine the whole question of 'area of production' to see if we cannot work out a flexible definition or definitions which will not affect farmers' selling prices. In doing so, I should like to emphasize, we want to be careful that every worker engaged in industrial operations who is now covered by the Act remains under the Act. In a re-examination of 'area of production' we are confining ourselves to the actual, measurable effect upon farm prices. It may well be that if we can make our definitions more elastic we can eliminate many of the criticisms of the Act, especially those which originate in agricultural areas, without reducing to any appreciable extent the number of persons receiving its benefits."

In announcing the hearing on the definition of executive, administrative, professional, and outside salesman, the Wage and Hour Division stated that until recently it had not received any formal application for a redefinition. The Division further commented, in a press release, that the hearing is in response to the first petitions presented, and that the date of April 10 was suggested by the petitioners.

The hearing will be confined to the wholesale distributive trade because it contains the only interests that have petitioned for amendments and hearing on the definitions in question. Whether there will be similar hearings in the future applicable to other industries, the Division states, depends primarily upon whether those interests request such action and show reasonable cause therefor.

BRITISH EXTEND IMPORT CONTROL

Ministry of Food Subjects Practically All Foods to License Requirement

Importation into the United Kingdom of all food products and feedstuffs, excepting those specifically exempt, was made subject on March 18 to prior import license for each individual transaction, the American Embassy at London has reported. This requirement for individual import licenses will apply to all foodstuffs, not already subject to license, which were dispatched from place of origin after March 20 and which will arrive in the United Kingdom after March 27.

The products excepted from the requirement for individual licenses fall into two groups: wines and spirits, fresh and cured fish and live animals, which remain free of import license requirement; and the following products, for which open general licenses will be issued permitting importation from all sources—cod liver oil; all cheese except cheddar, cheshire, gouda, and edam types; vegetables in salt or brine; dried vegetables; bananas; tomatoes; Barcelona nuts; hazel nuts; Brazil nuts, and chestnuts; vinegar; arrowroot; tapioca, cassava, mandioca; meat extracts and essences; malt extracts, isinglass and agar agar; and yeast.

Open general licenses will be issued permitting the importation also of certain other foodstuffs from British countries.

The more important foodstuffs are already controlled by the British Ministry of Food, and some, but not all of these, can only be imported under a Board of Trade import license. Other foodstuffs have required an import license but have not been controlled by the Ministry; and there are certain foodstuffs that hitherto have not been subject to any control.

Last week the INFORMATION LETTER carried the announcement of the British Board of Trade that, effective March 19, preserved fruit in airtight containers (but not including fruit pulps, jam and marmalade) were added to the list of products that could be imported into the United Kingdom only under license.

With regard to the Board of Trade's imposition of import licenses on canned fruits, the Foodstuffs Division of the Department of Commerce has issued a statement on the significance of the temporary ban on United States exports. This statement is reproduced below:

"The question 'What quantities of canned fruits will England take from 1940 packs?' is of far more importance to American fruit canners than any urgent need to move to the United Kingdom any large additional quantities from 1939 packs. Under the impetus of war conditions, our canned fruit exports moved to the United Kingdom in far greater volume earlier in the marketing year so that stocks in that country at the present time, plus goods en route, represent at least in part canned fruit which in a normal year might not have arrived there until later in the marketing season.

"Licensing of canned fruit imports into England comes, therefore, after the United States has already supplied at least its normal share of these products to the British market from 1939 packs. Canned fruit exports from the United States from June 1, 1939, to January 31, 1940, totaled 5,958,000 cases, compared with the above normal figure of 5,704,000 cases for the same period of the 1938-39 season, and compared with 4,214,000 cases exported from June 1 to January 31 of the 1937-38 season. Normally nine-tenths of our canned fruit export trade is with England.

"Preliminary figures for February 1940 give the export value for canned fruits in that month at \$3,075,000, a fifty per cent increase over the value, \$2,005,000 worth, of canned fruits exported in the same month a year ago. Quantity figures are not yet available for February, nor are official data available for any part of March, but the indications are that another million or more cases will be added to the 1939-40 export figures by shipments in those two months.

"The question of exports of American canned fruits and other agricultural products is being covered in conversations being held in Washington now between officials of the United States Government and Mr. Ashton-Gwatkins, Advisor to the British Ministry of Economic Warfare, and Prof. Charles Rist, Advisor to the French Ministry of Blockades, who have come to the United States specifically for the purpose of discussing these types of questions."

Rhode Island Food Bill Conforms to Federal Act

A bill substantially in conformance with the Federal Food, Drug, and Cosmetic Act has been introduced in the Rhode Island legislature. The bill, House Bill 1033, provides for a single standard of quality, contains no registration or permit provisions, authorizes special consideration for the several varieties of canned fruits and vegetables, permits the acceptance of a guarantee signed by any resident of the United States, and allows the shipment in interstate commerce of unlabeled foods for labeling or repacking.

Advertising Must Identify "Southern Lobster"

In a stipulation accepted by the Federal Trade Commission this week, a Florida fishery company has agreed to cease using the word "lobster" in advertising as descriptive of a species of food fish other than that properly known as "lobster", unless such word is accompanied in equally conspicuous type by appropriate language identifying the species or locality of the product sold.

The stipulation points out that the American lobster, also known as the Northern lobster, is found only along the North American coast from North Carolina to Labrador; that it is more abundant and attains its greatest size in the northern part of its range in Eastern Maine and the Maritime Provinces, and that this lobster is scientifically known as a particular species.

Another food fish found in Southern waters, the stipulation continues, is variously referred to as sea crayfish, spiny lobster, rock lobster, and Southern lobster. The term "lobster", however, has long been associated in the minds of the consuming public with the Northern lobster.

CANE AND BEET SUGAR INTERESTS ASK COURT REVIEW OF PEACH STANDARD

Petition Alleges Standard Invalid for Failure to Require Dextrose Declaration

Acting for and joining with their members, the United States Cane Sugar Refiners' Association and the United States Beet Sugar Association have filed a petition in the United States Circuit Court of Appeals for the Second Circuit requesting judicial review of the order of December 19, 1939, which promulgated the standard of identity for canned peaches under the Federal Food, Drug, and Cosmetic Act. The petition alleges that the order is invalid because of the failure of the Secretary of Agriculture to require the designation of dextrose on the label where that product is used as an optional ingredient in canned peaches.

The petition reviews in considerable detail the course of the hearings on canned fruit standards of identity, and points out that the government's witnesses from the Food and Drug Administration, as well as the various consumer witnesses, unanimously testified that the use of dextrose should be declared on the label. It is pointed out that the counsel for the government in these proceedings took the position that the overwhelming weight of this evidence was that the use of either sucrose (i. e., beet sugar or cane sugar) or dextrose, or combinations of the two, should be declared on the label, and that the presiding officer in his recommendations had reached the same conclusion.

The sugar refiners who are seeking court review charged that the Secretary's order, in failing to require label disclosure of dextrose, is not based on substantial evidence, does not fulfill the statutory purpose of promoting honesty and fair dealing in the interest of consumers, and will seriously injure their business.

This petition is of great interest to the canning industry not only because it represents the first attempt to secure judicial review of the validity of a food and drug standard but also because of its direct impact upon the canners of those fruits of which the identity has already been standardized. It does not appear from the petition whether the sugar refiners will ultimately accept the government's original contention that there be label declaration of both sucrose and dextrose. It is reported, however, that the petitioners will take the position that dextrose alone must be declared on the label and that specific declaration of either beet sugar or cane sugar is not necessary.

There appears to be no reason for immediate concern on the part of those canners who have ordered labels in compliance with the standard of identity already promulgated. For if the petitioners should succeed in having the order declared invalid, the likely result would be the remanding of the proceeding to the Secretary for further hearing. In other words, those canners who prepare and use labels in conformity with the existing standard will run no risks that their products will not comply with the law.

The petition already filed seeks to review only the standard of identity for canned peaches. The period within which petitions may be filed to review the identity standards for other canned fruits has not yet expired and it is probable that similar petitions will be filed on such fruits.

FLORIDA SUIT DISMISSED

Federal Circuit Court Dissolves Injunction Granted in "Area of Production" Case

The action of the Florida District Court in issuing last summer a temporary injunction against the enforcement in Florida of the "area of production" regulation under the Wage and Hour Act, was reversed last week by the United States Circuit Court of Appeals for the Fifth Circuit.

The injunction was issued last July in an action that had been brought by a number of Florida citrus fruit canners and fresh citrus fruit packers who contended that the Administrator's definition of "area of production" was arbitrary and unreasonable in that it denied them the exemption from wages and hours afforded by Section 13(a) (10) of the Act, although their plants are located within a well recognized geographical area of production of Florida citrus fruits. The original suit named as defendants Administrator Elmer F. Andrews, the wage and hour inspector for Florida, and the United States district attorney in Florida. The action was dismissed as to Mr. Andrews as he was not within the jurisdiction of the Florida Court. The temporary injunction was directed against the local wage and hour inspector and the Florida district attorney, and restrained the enforcement of the Act against the canners and packers who had brought the suit pending a determination of the validity of the regulation.

In its decision, the Circuit Court of Appeals concluded that the district judge had acted erroneously in issuing the injunction. The Court of Appeals pointed out that the duty of enforcing and administering the Act rested upon the administrator in Washington and upon the United States attorney general, neither of whom could be enjoined in the action brought in Florida. For this reason, the Court of Appeals was of the opinion that the District Court in Florida was not in a position to pass upon the validity of the regulation. The court said:

"We are of opinion that the injunction should have been refused and the motions to dismiss granted. The evidence showed that the Administrator was preparing to enforce the Act throughout the Country, but that the Inspector was only an investigator, and had no power to institute suits or prosecutions. Section 4 of the Act makes the Administrator responsible for its administration and authorizes the appointment of Special Attorneys to represent him, but places all litigation under the direction and control of the Attorney General. The District Attorneys no doubt can be called on to institute suits or prosecutions, but they have no special duty with reference to the Act, and this District Attorney has assumed none. The Regulation attacked is of country-wide application. Its validity and effect ought not to be inquired of without more substantial parties to represent it. Certainly no declaratory judgment establishing its validity could be rendered. If the Inspector and District Attorney were in fact committing or about to commit some irreparable wrong, they might be enjoined though their chiefs could not be reached by the Court. . . . But here they are not making even a tangible threat. It is expressly found that they have made

no personal threats, and it is admitted that none is alleged. If they should be enjoined generally, the Administrator and Attorney General would not be bound; the petitioners would not be protected against their violations of the Act but might be prosecuted through other agents or by the Grand Juries. The petitioners can test their rights in Florida by submitting to an early test prosecution. If they wish a test in Equity they ought to go to a jurisdiction where more responsible parties can be found."

The Court of Appeals did not discuss or express an opinion concerning the validity of the "area of production" regulation. The sole question considered was whether or not the District Court should have enjoined the enforcement of the Act when the wage and hour administrator and the attorney general were not parties to the suit.

The Court of Appeals directed that the injunction be dissolved and the suit filed by the canners be dismissed.

Japanese Sardine Exports Declined in 1939

Official statistics just issued show that Japan's exports of canned sardines declined appreciably in 1939, compared with the preceding year, according to the American trade commissioner's office at Tokyo. Shipments of sardines abroad in 1939 amounted to 865,048 cases, a drop of 13 per cent from the 996,247 cases exported in 1938.

FIVE TRADE ASSOCIATIONS ORDERED TO STOP PRICE CONTROL PRACTICES

Order Issued Against Veneer Package Association and Four Regional Associations

American Veneer Package Association, Inc., Washington, D. C., its officers, and four regional associations of the fruit and vegetable container industry, their officers and members, and a New York business management and engineering group, have been served by the Federal Trade Commission with an order directing them to cease and desist from a combination or conspiracy for fixing and maintaining uniform prices and discounts and for curtailing production and other practices deemed to be in restraint of competition.

Members of the respondent regional associations are found to manufacture and sell approximately 75 per cent of all the veneer containers used in their territories for packaging fruits and vegetables, with the possible exception of wire-bound and sawed crates.

Respondents in the case are American Veneer Package Association, Inc., and its officers; Eastern Package Association, Philadelphia, its chairman, and twelve member companies situated in Virginia, North Carolina, Delaware, and New Jersey; Southern Package Association, Inc., Charlotte, N. C., its officers, and sixteen member companies located in Illinois, Indiana, Delaware, North and South Carolina, Virginia, Tennessee, Georgia, and Alabama; Northeastern Veneer Package Association, Rochester, N. Y., its officers, and ten member companies situated in New York State; Midwest Package Association, Indianapolis, its officers, and eighteen member companies located in Indiana, Ohio, Michigan, Illinois, Iowa, Kentucky, Arkansas, Tennessee, and Kansas; and the Stevenson Corporation and Charles R. Stevenson, T. M. Harrison, C. H. Ferris, N. M. Perris, E. G. Ackerman, A. H. Dyer, R. E. Case, F. L. Sweetser, W. R. Guthrie,

A. P. Nonweiler, S. M. Hudson, R. R. Bliss, L. P. Platt, Howard Marvin, and D. M. Metzger, partners trading as Stevenson, Jordan & Harrison, 19 West 44th Street, New York, all engaged in business management and business engineering.

Findings of the Commission, as stated in a press release, are as follows:

"The American Veneer Package Association, Inc., in 1937 had a membership including 81 manufacturers of veneer packages located throughout the Eastern United States and 10 associate members, who were suppliers of raw material to the manufacturers. In 1935 and 1936 the association, for the more effective self-regulation of the industry, co-operated and assisted in the formation of the several local respondent trade groups or their predecessors.

"These associations by and with the active assistance and cooperation of the American Veneer Package Association, Inc., and its officers, entered into and executed contracts and agreements which resulted in the fixing of prices, conditions and terms of sale, and discounts relative to the sale and distribution of veneer containers used in packaging fruits and vegetables. At open meetings of these associations these matters were discussed and agreed upon. Written membership contracts between the members and their respective associations were executed. The American Veneer Package Association, Inc., through 1936, acted as a medium for the exchange of information between members of its various groups.

"Each manufacturing member of the various groups submitted to its respective association a list of the persons or firms which it deemed were entitled to receive dealer or distributor discounts. Such lists were voted upon by the association memberships and only those named were entitled to receive such discounts. Master lists of dealers and distributors were compiled after votes had been taken on each name, and these master lists were distributed to members of the respondent associations by their secretaries.

"The firm of Stevenson, Jordan & Harrison, New York, was employed to conduct surveys of the entire veneer package industry. The surveys conducted in the various territories of the associations covered the members' production and sales of bushel and half-bushel baskets, and the dollar value thereof, for 1935 and 1936, and the respondents' territory was divided into geographical zones effective within each of which were prices filed by the producers with the zone secretary after conference and discussion among producers in the respective zones.

"Monthly reports were furnished showing the volume of sales of each member as compared to the total volume. It was the practice of the various zone secretaries, who were employees of Stevenson, Jordan & Harrison, to persuade manufacturers to hold their production within their normal position as indicated by the survey. Frederick W. Masie, a representative of Stevenson, Jordan & Harrison, and the zone secretaries attempted to impress upon manufacturers in various zones the necessity for not exceeding their so-called normal positions. In many instances the zone secretaries and Masie obtained assurances from members that they would curtail their production so that it would remain somewhat within its so-called normal volume. Manufacturers in the various zones expected the operations of Stevenson, Jordan & Harrison to stabilize and increase prices.

"It was understood that members of the various zone associations would protect the prices filed in the different zones and they cooperated in maintaining these prices. Members agreed that they would not ship into an adjoining zone without conforming to the prices prevalent in the zone of the vendee.

"After Stevenson, Jordan & Harrison assumed the business management of the various zones, a closer cooperation existed between the respective zones. The secretary of the American Veneer Package Association, Inc., collaborated with the various secretaries in the general distribution of prices to all members of all zones. In the interest of furthering inter-zone relations, representatives of the different zones were invited to attend, and did attend, the meetings of other zone associations. Price lists and dealer lists of other zones were discussed at the different zone meetings.

"The result of the respondents' various agreements and inter-zone relationships was prevention of price competition among members of the respondent associations in the sale of their products; the placing in the respondents of the power to control and enhance prices, and unreasonable restraint of trade in veneer fruit and vegetable containers and parts."

The Commission's order directs the various respondents, and their agents, representatives and employees to cease and desist from effectuating, or aiding and abetting the accomplishment of any agreement, understanding, combination or conspiracy for the purpose or with the effect of restraining, monopolizing or eliminating competition, and from doing any of the following acts pursuant thereto: (1) Fixing and maintaining uniform prices, uniform discounts or other terms and conditions of sale; (2) compiling, publishing and distributing any uniform compilation of prices or other information to be used in connection with the fixing of prices, discounts, terms and conditions of sale; (3) determining or establishing any system of zones throughout the United States in connection with their price-fixing activity; (4) adopting any joint or uniform price list or other device which fixes prices; (5) agreeing to curtail the production of veneer fruit and vegetable containers, and (6) preparing, publishing and circulating lists of recognized jobbers and dealers for the purpose or with the effect of indicating that specified persons or concerns or jobbers or dealers are recognized as entitled to receive special jobber or dealer discounts, as the case may be, and that other persons or concerns are not so entitled.

Trade Practice Rules Issued for Tuna Industry

Trade practice rules for the tuna industry were promulgated March 22 by the Federal Trade Commission under the trade practice conference procedure. The rules relate to the sale and distribution of canned tuna, and are designed to eliminate unfair trade practices.

The terms "fancy tuna," "standard tuna," and "tuna flakes" are defined in the rules. If the term "tonno" appears on the label, it must describe a product packed from solid tuna in olive oil and salt, and may not indicate foreign origin by foreign words or insignia.

Conference to Discuss "Unit Packaging" Problems

Various aspects of "unit packaging" will be discussed at the tenth annual Conference on Packaging, Packing and Shipping, to be held in New York City March 26 to 29. Speakers at the conferences on unit packaging include W. R. M. Wharton, chief, Eastern District, Food and Drug Administration, who will discuss regulations governing forms of packages and packing from the standpoint of possible deception. Chairman of the packaging clinic, to be held March 27, is Irwin D. Wold, vice president of the Kaufmann Department Stores, Inc., Pittsburgh, and vice president of the consumer marketing division of the American Management Association, which is sponsoring the conference.

CONGRESS SUMMARY

The Senate on Monday passed amendments broadening the scope of the Hatch Political Activities Act and then proceeded to debate and adopt during the remainder of the week, appropriations for the Department of Agriculture that had been increased by action of the Senate Appropriations Committee. Meanwhile the House cleared its calendar of a number of minor bills and then received the bill carrying appropriations for the Department of Labor and the Federal Security Agency. Amendments to the National Labor Relations Act were discussed in executive sessions by the House Labor Committee, which approved a two-man increase in the membership of the Board. The discussions will continue next week.

In reporting the Labor Department and Federal Security Agency appropriation bill, the House Appropriations Committee recommended reductions from Budget Bureau's estimates for the Wage and Hour Division, the Public Contracts Board, and the work of the Children's Bureau in connection with the Fair Labor Standards Act. The Committee suggested that savings in the overhead expenses of these divisions might be made by departmental consolidation of the Public Contract Board and the Wage and Hour Division, and by a correlation of the inspection work of these divisions. The bill would grant the Wage and Hour Division a total of \$5,105,000, an increase of \$1,643,800 over last year's appropriations but a reduction of \$1,080,000 from Budget Bureau estimates.

A bill (H. R. 8883) to remedy present administrative difficulties encountered in securing drawback under the tax provisions of the Sugar Act of 1937 has been introduced by Representative Buck of California.

The bill would direct the Commissioner of Internal Revenue to refund sugar taxes paid on manufactured sugar, or articles made wholly or partly from manufactured sugar, upon their exportation to a foreign country, or to any possession of the United States except Puerto Rico. The refund would be made to the consignor, or to the shipper or manufacturer of the articles if the consignor has waived his claim. A report on the bill has been requested from the Bureau of Internal Revenue by the House Committee on Agriculture.

The authority to delegate certain regulatory powers that have been or may be vested in the Secretary of Agriculture is authorized in legislation agreed to by a House and Senate Conference Committee this week. Various laws, such as the Packers and Stockyards Act and the Federal Warehouse Act, require the Secretary of Agriculture to conduct hearings and issue orders. The Secretary, under this proposed new authority, may delegate such regulatory functions to not more than two subordinate officers in the Department of Agriculture. This legislation originally would have created a new post of second assistant secretary of agriculture.

Senator Pepper of Florida has introduced a new bill (S. 3576) proposing compulsory inspection of frozen fish and frozen fishery products. During the first session of this Congress, Senator Pepper and Representative McCormack of Massachusetts introduced companion bills contemplating the compulsory or mandatory inspection of all seafoods. Recently the House Committee on Merchant Marine and Fisheries held hearings on the McCormack bill that developed the fact that all seafood interests, except certain processors of frozen fish, were opposed to compulsory inspection.

At the conclusion of the hearings Representative McCormack and a spokesman for the Massachusetts Fisheries Association recommended that the bill be amended to apply to only frozen fish and frozen fishery products.

Committee on Federal-State Relations Proposed

The creation of a continuing committee on Federal-State relations was recommended this week during the course of hearings on interstate trade barriers before the Temporary National Economics Committee. The hearings were sponsored by the Interdepartmental Committee on Interstate Trade Barriers.

Frank Bane, executive director of the Council of State Governments, suggested that such a committee might follow the pattern of the Temporary National Economic Committee and consist of representatives from the Senate, the House, and the administrative branch of the government. In concluding his testimony, Mr. Bane said:

"This committee, if established, could work in cooperation with the organization representing the states, namely, the Council of State Governments, and could survey the entire situation in all of its ramifications with the idea of presenting to the next Congress a comprehensive plan looking toward cooperation and participation by all levels of government which, it has been clearly demonstrated, is necessary for a practical solution of the problem of interstate trade barriers."

An analysis of State laws that on their face or in operation and effect tend to obstruct the marketing of goods in interstate trade was resented at the hearings by A. H. Martin, Jr., executive director, Marketing Laws Survey, Works Progress Administration. Mr. Martin's analysis covered State laws on the subject of motor vehicles, dairy products, oleomargarine, livestock, and general foods, nursery stock, liquor, use taxes, general preferences, commercial fishing, and insurance. Other witnesses testified as to the historic, economic, and legal background of interstate trade barriers, and presented case studies of their effect in particular fields of industry and trade.

Annual Campaign to Reduce Shipping Damages

The fourth annual campaign to reduce loss and damage to goods in transit will be held during April, which has been designated "Perfect Shipping Month". The railroad industry, including the Railway Express Agency, is cooperating with shippers' organizations in the effort to reduce waste by discovering faults in handling, transporting, and packaging goods.

The general committee in charge of the campaign states that more than half of all damage is avoidable, and emphasizes the part that good packing, plus correct marking, safe switching, and careful handling play in perfect shipping.

In addition to pamphlets distributed through Shippers' Advisory Boards of various regions, the Boards have made available a new slide film "On Guard" that tells methods of cutting loss and damage in shipping. Commercial organizations, service clubs, or any group interested in shipping and transportation subjects are invited to show this film without charge. Information on this film and other material available can be secured through the Shippers' Advisory Boards, or the general chairman of the "Perfect Shipping Month", W. J. Williamson, of Sears, Roebuck and Co., Chicago.

JANUARY SUGAR IMPORTS

Drop 45.6 Per Cent from December Total to Near Low of November, 1939

Imports of sugar into the United States during January, 1940, the first full month since the quota system on sugar imports was restored near the end of December, decreased 45.6 per cent from the amount imported during December, and dropped to near the unusually low level of imports during November, 1939.

Imports of sugar during January amounted to 482,812,612 pounds, compared with 887,009,569 pounds imported during December, and 464,899,363 pounds during November, 1939.

In the table below, compiled from a report of the Department of Commerce, are shown imports into the United States of raw and refined sugar, both dutiable and free, during January from foreign countries and non-contiguous Territories. Some of this sugar may have gone into bonded warehouses.

Origin	Raw		Refined	
	Dutiable Pounds	Free Pounds	Dutiable Pounds	Free Pounds
Foreign countries:				
Cuba.....	273,017,530		29,243,486	38,700
Mexico.....	12,263			
Dominican Republic...	8,500			
Peru.....	690,860			
Canada.....	70			
Philippine Islands.....	214,000	76,069,929	2,000,000	
China.....	8,200		140	
Hong Kong.....	280			
Guatemala.....				6,649
Netherlands Indies.....		6,300		
Total.....	273,952,012	76,076,235	31,243,626	45,349
U. S. Territories:				
Hawaii.....		52,083,000		
Puerto Rico.....		14,875,000		34,537,300
Total receipts.....	273,952,012	143,034,325	31,243,626	34,582,649

The following table shows the imports of raw and refined sugar by ports of entry. These figures include imports for direct consumption and withdrawals from bonded warehouses within the United States.

Port of Entry	Raw		Refined	
	Dutiable Pounds	Free Pounds	Dutiable Pounds	Free Pounds
Vermont.....	70			
Massachusetts.....	30,830,576	10,383,315		
New York.....	131,070,673	13,843,197	18,706,202	23,000
Philadelphia.....	64,536,004	20,212,984	100,000	
Maryland.....	280	8,960,000	110,484	6,600
Virginia.....	906,324			
North Carolina.....	114,867		2,000,000	
South Carolina.....			1,500,000	
Florida.....			6,346,800	
Mobile.....				8,500
Georgia.....	246,418			
New Orleans.....	25,358,777	22,670,433	480,000	
Kentucky.....	45,619			
Ohio.....	280			
El Paso.....	1,204			
Galveston.....	20,565,826			
Arizona.....	11,039			
San Diego.....			1,000,140	
Los Angeles.....	5,600			6,649
San Francisco.....	36,380	6,306		
Oregon.....	14,000			
Washington.....	164,520		1,000,000	
Wisconsin.....	33,335			
Hawaii.....	1,700			
Virgin Islands.....	8,500			
Total.....	273,952,012	76,076,235	31,243,626	45,349

Indexes of Wholesale and Retail Prices

The wholesale price index for all foods was 7.8 points lower than the all-commodity index on March 16, 1940. The food index rose half a point from the index for March 9, while the all-commodity index declined a tenth of a point.

The retail price index for canned fruits and vegetables on March 16 was 75.0 as compared with 78.1 for all foods, and 61.5 for fresh fruits and vegetables. The index for canned fruits and vegetables dropped four tenths of a point from the index for January 16, whereas the indexes for all foods and fresh fruits and vegetables both rose from the January 16 figures.

In the following tables, derived from Bureau of Labor Statistics reports, the indexes for wholesale prices are based on the average for the year 1926, taken as 100 per cent. The retail price indexes are based on the average for the years 1923-25, taken as 100 per cent.

	Wholesale Prices					
	Mar. 16, 1940	Mar. 9, 1940	Mar. 2, 1940	Feb. 24, 1940	Feb. 17, 1940	Mar. 18, 1939
All commodities.....	78.2	78.3	78.4	78.6	78.3	76.7
All foods.....	70.4	69.9	70.5	71.0	70.5	70.7

	Retail Prices			
	Feb. 13, 1940	Jan. 16, 1940	Dec. 12, 1939	Feb. 14, 1939
All foods.....	78.1	77.1	76.9	76.8
Fresh fruits and vegetables.....	61.5	58.0	56.4	60.0
Canned fruits and vegetables.....	75.0	75.4	75.5	74.1

GROWERS' INCOME FROM PEAS

Statistics Compiled to Compare Farm Income from Canning Crop with Other Crops

"Canned Peas, a Product of Cooperation between Grower and Canner," the first bulletin of the canner-grower series, was published by the National Canners Association in June, 1936. That bulletin discussed a number of factors that are of common interest to both the canner and the grower of peas. Among other things it presented information taken from reports of the Department of Agriculture showing the income per acre that the farmer had received from growing peas and from farm crops grown in competition with peas.

The accompanying table shows the farm value of peas compared with the same farm crops used for comparison in the 1936 bulletin. This table brings to date the information presented in the bulletin. When comparing the figures in this table, it should be remembered that they refer to farm value as reported by the Department of Agriculture.

Gross cash income to the farmer differs somewhat from the reported farm value because not all of the crop produced is sold for cash. The farm value figures for peas are approximately the same as the farmer's cash income for peas, as practically all of the farmer's crop is sold to the canner. The same is true of wheat where practically all of the crop is sold. Cash income for corn, oats and barley would be considerably lower in some instances than the farm value shown in this table, as these crops are used in large part for feeding on the farm.

The figures as presented are taken directly from the Department of Agriculture's reports, in which no account was taken of farmer's seed costs. For that matter, no account was taken of any of the farmer's other costs. As the prac-

tice of furnishing seed to the grower varies among the different canners, it is not possible to show income figures that would be comparable to the other farm crops listed. For that reason, only farm value figures that are comparable are shown.

The table below shows farm value per acre of green peas for canning, compared with selected farm crops. These crops were chosen for comparison because they are grown on the same farms and therefore compete with peas for acreage.

	Peas Dollars	Corn Dollars	Oats Dollars	Wheat Dollars	Barley Dollars
UNITED STATES					
1935.....	44.08	13.73	8.40	10.17	.....
1936.....	32.61	10.93	10.55	13.16	.....
1937.....	42.23	14.72	9.90	13.09	.....
1938.....	49.52	13.93	6.47	7.32	.....
1939.....	35.99	16.49	8.36	9.50	.....
5-yr. average.....	40.89	15.16	8.74	10.65	.....
NEW YORK					
1935.....	39.33	.....	12.20	.....	.....
1936.....	19.77	.....	12.10	.....	.....
1937.....	41.41	.....	11.00	.....	.....
1938.....	50.78	.....	11.22	.....	.....
1939.....	30.56	.....	13.53	.....	.....
5-yr. average.....	36.37	.....	12.01	.....	.....
MARYLAND					
1935.....	64.62	24.50	.....	15.78	.....
1936.....	31.62	34.92	.....	21.20	.....
1937.....	51.57	21.96	.....	19.38	.....
1938.....	49.73	20.35	.....	12.60	.....
1939.....	31.82	22.32	.....	15.21	.....
5-yr. average.....	45.87	24.81	.....	16.83	.....
WISCONSIN					
1935.....	33.21	.....	9.75	15.24	15.12
1936.....	27.17	.....	11.76	16.63	21.73
1937.....	35.02	.....	10.24	15.44	16.38
1938.....	50.63	.....	7.75	11.04	17.01
1939.....	35.87	.....	10.40	11.85	15.37
5-yr. average.....	36.38	.....	9.98	14.04	17.12
MINNESOTA					
1935.....	53.06	.....	8.51	10.29	.....
1936.....	39.62	.....	9.40	12.04	.....
1937.....	39.90	.....	9.36	17.40	.....
1938.....	46.28	.....	5.61	9.08	.....
1939.....	40.91	.....	9.62	10.15	.....
5-yr. average.....	43.95	.....	8.50	11.79	.....
WASHINGTON					
1935.....	50.00	.....	.....	15.78	.....
1936.....	59.25	.....	.....	19.61	.....
1937.....	53.38	.....	.....	16.45	.....
1938.....	50.46	.....	.....	10.86	.....
1939.....	42.26	.....	.....	15.02	.....
5-yr. average.....	51.07	.....	.....	15.54	.....
OREGON					
1935.....	47.69	.....	.....	12.71	.....
1936.....	40.94	.....	.....	18.31	.....
1937.....	40.37	.....	.....	15.84	.....
1938.....	42.84	.....	.....	11.05	.....
1939.....	42.05	.....	.....	14.54	.....
5-yr. average.....	42.78	.....	.....	14.49	.....

San Francisco Housewives Request Recipe Leaflets

Requests from readers of the *San Francisco News* for copies of recipe leaflets published by the Association's Service Kitchen, and offered by the *News* to housewives, totaled 2,598, the food editor of that newspaper has reported in forwarding names of those asking for the leaflets.

At intervals of several weeks, the food editor described three of the Association's recipe leaflets, reproduced one or two recipes from each leaflet, and offered to send a copy to each reader requesting it by a certain date. The food editor had made arrangements with the Home Economics Division for this type of distribution.

The number of requests for each leaflet was as follows: "Tempting Recipes for Canned Foods," 969; "Every Day Recipes for Canned Foods," 829; and "Easy Recipes for Canned Foods," 800.

Spring Meeting of Indiana Canners Association

The annual spring meeting of the Indiana Canners Association will be held April 18 and 19 at the Hotel Claypool, Indianapolis.

Fruit and Vegetable Market Competition

Carlot Shipments as Reported to the Agricultural Marketing Service by Common Carriers

Carlot shipments of all major fresh vegetables and fruits were smaller during the week ending March 16, 1940, than they were during the corresponding week of 1939. However, shipments of snap and lima beans and citrus fruit were larger than during the preceding week, ending March 9.

The following table, compiled from statistics of the Agricultural Marketing Service, gives detailed comparisons of carlot shipments on certain dates of selected vegetables and fruits:

	Week ending—			Season total to—	
	Mar. 16, 1939	Mar. 16, 1940	Mar. 9, 1940	Mar. 16, 1939	Mar. 16, 1940
VEGETABLES					
Beans, snap and lima.....	92	18	3	3,939	1,671
Tomatoes.....	620	283	300	6,264	3,325
Green peas.....	109	64	79	1,088	1,185
Spinach.....	337	297	353	4,641	3,830
Others:					
Domestic, competing directly.....	3,657	3,355	4,500	98,045	87,325
Imports competing directly.....	38	61	51	498	592
Imports competing indirectly.....	54	67	63	2,058	2,329
FRUITS					
Citrus, domestic.....	5,285	3,615	3,383	94,176	81,375
Others, domestic.....	120	68	41	50,438	47,586

Potato Canning Begun on Prince Edward Island

A potato canning industry has been initiated at Charlottetown, Prince Edward Island, according to the American consulate at Saint John, Canada. The enterprise still is in the experimental stage.

Intended Acreage for Cabbage Reported

Growers of cabbage in the intermediate and late States report to the Agricultural Marketing Service that they intend to increase plantings in 1940 by 4 per cent, as compared with the acreage in 1939. It is indicated that they intend to plant 111,200 acres, compared with 107,290 acres last year. This acreage includes cabbage for use in the manufacture of kraut as well as that for marketing fresh.

An increase of 2 per cent is expected in the intermediate group of States. New Jersey, North Carolina and Southwest Virginia account for most of the increase, while decreases are reported in Maryland and Tennessee. Changes in other States are of minor importance. The total acreage intended for planting in this group this year is indicated at 36,250 acres, compared with 35,490 acres last year.

In the late States, an acreage 4 per cent above that of 1939 is planned for domestic (early or kraut types) cabbage, or 41,950 acres intended in 1940, compared with 40,300 acres in 1939. Most of the tonnage utilized for kraut manufacture will be taken from this acreage. The acreage of Danish (late storage types) cabbage is expected to be 5 per cent greater than the 1939 acreage, or 33,000 acres intended to be planted this year compared with 31,500 acres for harvest last year.

Hearing on California Deciduous Fruit Program

A public hearing on proposed amendments to the Federal marketing agreement program for the handling of Bartlett pears, plums, and Elberta peaches grown in California will be held March 27 at Sacramento.

Stocks and Shipments of Canned Tomato Juice

Total stocks of canned tomato juice in canner's hands on March 1, 1940, amounted to 5,388,752 actual cases, compared with 5,982,506 cases on March 1, 1939, according to figures compiled by the Association's Division of Statistics. Shipments during February, 1940, were 974,738 cases, compared with 555,087 cases shipped during February, 1939.

Shipments during the seven-month period, August 1 to March 1, amounted to 8,085,812 cases in 1939-40, and 6,056,084 cases in 1938-39.

The following table shows stocks of tomato juice in canners' hands on March 1, 1940, by various can sizes:

Can Name	Cans per case	Stocks March 1 Cases
8Z Tall (including 8Z Short).....	48	55,275
No. 1 Pienie.....	48	130,966
No. 211 Cylinder.....	48	409,882
No. 300 (including all 300 cans from 407 to 412).....	48	442,023
No. 1 Tall.....	48	325,001
No. 303 Cylinder.....	24	690,150
No. 2.....	24	350,944
No. 2 Cylinder (including all 307 cans from 505 to 513).....	24	765,807
No. 3 Cylinder (including 404 cans from 615 to 708).....	12	837,376
No. 10 (including some No. 5).....	6	808,503
Miscellaneous Tin.....	..	145,445
Glass.....	..	366,480
Total.....		5,388,752

Stocks and Shipments of Canned Tomatoes

Stocks of canned tomatoes in canners' hands on March 1, 1940, totaled 8,167,296 actual cases, compared with 8,766,934 cases on March 1, 1939, according to figures compiled by the Association's Division of Statistics. Shipments during February, 1940, were 1,978,102 cases, compared with 1,773,092 cases during February, 1939.

The following table shows stocks and shipments on various dates for California and other States:

	California Cases	Other States Cases	Total Cases
Total Stocks:			
March 1, 1939.....	1,350,835	7,416,099	8,766,934
March 1, 1940.....	948,144	7,219,152	8,167,296
Shipments during February:			
1939.....	271,723	1,501,369	1,773,092
1940.....	289,727	1,688,375	1,978,102
Shipments, July 1 to March 1:			
1938-39.....	2,142,951	13,344,094	15,487,045
1939-40.....	2,320,862	14,092,505	16,413,367

Nova Scotia Canned Apple Production Estimated

The total estimated production of canned apples for 1939 in Nova Scotia is estimated at about 1,000,000 cases, according to the American consulate general at Halifax. About 400,000 cases have been exported, and it is expected that about 100,000 cases more will be shipped within the next few months. Approximately 500,000 cases of apples remain for which markets will be sought.

Stocks and Shipments of Green and Wax Beans

Total stocks of green beans in canners' hands on March 1, 1940, were 2,441,391 actual cases, and stocks of wax beans amounted to 641,677 cases, according to figures compiled by the Association's Division of Statistics. Shipments during February were 678,773 cases of green beans and 98,302 cases of wax beans. The following tables show detailed figures by regions:

	Stocks March 1, 1940 Cases	Shipments February, 1940 Cases	Shipments July 1 to March 1, 1939-40 Cases
GREEN BEANS			
Northeast.....	426,075	106,103	606,531
Middle Atlantic.....	597,879	205,722	1,807,884
Midwest.....	586,017	138,355	1,244,369
Western.....	666,844	153,382	1,352,180
Southern.....	164,576	75,211	1,025,113
Total.....	2,441,391	678,773	6,036,077
WAX BEANS			
Northeast.....	184,247	32,005	348,404
Middle Atlantic.....	76,563	11,643	147,976
Midwest.....	332,283	44,883	354,213
Western.....	47,483	8,777	79,140
Southern.....	1,101	994	21,456
Total.....	641,677	98,302	951,189

Canned Pineapple Exports from British Malaya

Total exports of canned pineapple from British Malayan ports during the period January 1, 1939, to December 2, 1939, were 2,599,896 cases, according to the American trade commissioner at Singapore. Total exports for the corresponding period of 1938 were 2,221,266 cases.

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